

SBA Economic Injury Disaster Loan (EIDL)

Working capital for operating expenses due to temporary loss of revenue or economic injury

Direct loan from the US Department of Treasury, via Small Business Administration (SBA)

Eligible applicants: (1) small businesses; (2) non-profits; (3) owners of rental property.

Apply at:

<https://disasterloan.sba.gov/ela/>

Do not lose username and password

- No cost to apply. **No obligation** to accept a loan.
- **Ineligible applicants: See below other potential disqualifiers***
 - agricultural enterprises;
 - religious organizations;
 - cannabis businesses;
 - gambling concerns (or biz with 30% or more rev from legal gambling)

Terms

- **Loan Amount:** up to \$2,000,000.
- **Interest Rate:** 3.75% for small business; 2.75% for non-profit.
- **Amortization:** up to 30 years, determined on a case-by-case basis.

Criteria

- Acceptable personal credit history (Confirming, 650+)
- Demonstrate ability to repay.
- Use of Funds: pay operating expenses; payroll, accounts payable; bills. (Not for business expansion)
- Must meet federal "small business" size guidelines, 500 employees or less, w/ avg annual receipts under \$7.5 M, qualify as a small, check exceptions:

<https://www.sba.gov/federal-contracting/contracting-guide/size-standards>

Collateral

- Required for loan amounts that exceed \$25,000.
- Applicants will not be declined solely on basis of lack of collateral. SBA will require whatever collateral is available, which may include liens on real estate.

Required Forms

- **SBA Form 5** – Business Loan Application (complete within online application)
- **SBA Form 413** – Personal Financial Statement, required by everyone with ownership of 20% or greater (complete within online application)
- **SBA Form 2202** – Schedule of Liabilities (complete within online application)
- **(2) IRS Form 4506-T** – Request for Transcript of Personal and Biz Tax Returns, required for the applicant entity and everyone with ownership of 20% or greater (download form, complete, sign, upload as PDF)
- **Most recent business tax return**, with all schedules (will need to upload as PDF)
- **Additional information**
 1. most recent personal & biz tax returns;
 2. 2019 year-end financial statements;
 3. YTD interim financial statements;
 4. possibly monthly sales figures using SBA Form 1368

***Potential other circumstances** that MAY make the business owner ineligible:

- past bankruptcy;
- tax liens, or pending lawsuits against them, any outstanding judgments;
- convicted of criminal offense committed during & in connection with riot or civil disorder;
- has delinquent Federal taxes, direct or guaranteed loans (SBA, FHA, VA, student, etc.);
- suspended or been debarred from federal contracts or grants;
- has outstanding child support payments